

**IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF MISSOURI
WESTERN DIVISION**

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
v.) Civil No. 14-
)
\$570,894.94 IN UNITED STATES)
CURRENCY SEIZED FROM BANK OF)
AMERICA ACCOUNT NUMBER)
355003258504,)
)
\$9,633.57 IN UNITED STATES)
CURRENCY SEIZED FROM BANK OF)
AMERICA ACCOUNT NUMBER)
355003258504,)
)
\$46,966.87 IN UNITED STATES)
CURRENCY SEIZED FROM)
A CASHIERS CHECK PAID TO)
SOFTWARE SLASHERS,)
)
2013 KIA OPTIMA,)
VIN: KNAGM4AD1D5042761,)
)
2014 CHEVROLET CORVETTE,)
VIN: 1G1YF2D70E5107427,)
)
2011 JEEP COMPASS,)
VIN: 1J4NT1FB3BD150458,)
)
2013 NISSAN GT-R,)
VIN: JN1AR5EFXDM261271,)
)
Defendants.)

COMPLAINT FOR FORFEITURE IN REM

Plaintiff, United States of America, by its attorneys, Tammy Dickinson, United States Attorney for the Western District of Missouri, and James Curt Bohling, Assistant United States

Attorney, brings this complaint and alleges as follows in accordance with Supplemental Rule G(2) of the Federal Rules of Civil Procedure:

NATURE OF THE ACTION

1. This is an action to forfeit property to the United States for violations of 18 U.S.C. § 1343 and 18 U.S.C. § 981(a)(1)(A) and for violations of 18 U.S.C. § 1957 and 18 U.S.C. § 981(a)(1)(C).

THE DEFENDANTS IN REM

2. The defendant \$570,894.94 in United States currency was seized from Bank of America account number 3550 0325 8504 (hereinafter “BOA x8504”) in the name of Casey L. ROSS (“ROSS”), sole proprietor doing business as (DBA) Software Slashers on December 10, 2013, in Kansas City, Missouri, by Homeland Security Investigations (HSI) and is currently in the custody of their Fines, Penalties and Forfeiture branch, United States Customs and Border Protection (CBP), in St. Louis, Missouri.

3. The defendant \$9,633.57 in United States currency was seized from BOA x8504 in the name of ROSS/Software Slashers on February 19, 2014, in Kansas City, Missouri, by HSI and is currently in the custody of their Fines, Penalties and Forfeiture branch, CBP, in St. Louis, Missouri.

4. The defendant \$46,966.87 in United States currency was seized from ROSS in the form of a cashiers’ check paid to Software Slashers from BBVA Compass Bank from the National Processing Center on April 17, 2014, in Kansas City, Missouri, by HSI and is currently in the custody of their Fines, Penalties and Forfeiture branch, CBP, in St. Louis, Missouri.

5. The defendant 2013 Kia Optima, VIN: KNAGM4AD1D5042761, was seized from ROSS and Sarah JOHNSON (also known as Sarah Ross) (“JOHNSON”) on December 10, 2013,

in Kansas City, Missouri, by HSI and is currently in the custody of their Fines, Penalties and Forfeiture branch, CBP, in Kansas City, Missouri.

6. The defendant 2014 Chevrolet Corvette, VIN: 1G1YF2D70E5107427, was seized from ROSS and JOHNSON on December 10, 2013, in Kansas City, Missouri, by HSI and is currently in the custody of their Fines, Penalties and Forfeiture branch, CBP, in Kansas City, Missouri.

7. The defendant 2011 Jeep Compass, VIN: 1J4NT1FB3BD150458, was seized from ROSS and JOHNSON on December 10, 2013, in Kansas City, Missouri, by HSI and is currently in the custody of their Fines, Penalties and Forfeiture branch, CBP, in Kansas City, Missouri.

8. The defendant 2013 Nissan GT-R, VIN: JN1AR5EFXDM261271, ROSS and JOHNSON on December 11, 2013, in Wallingford, Connecticut, by HSI and is currently in the custody of their Fines, Penalties and Forfeiture branch, CBP, in Connecticut.

JURISDICTION AND VENUE

9. This Court has subject matter jurisdiction over an action commenced by the United States under 28 U.S.C. § 1345, and over an action for forfeiture under 28 U.S.C. § 1355(a). This Court also has jurisdiction over this particular action under 18 U.S.C. §§ 981(a)(1)(A) and (a)(1)(C).

10. This Court has *in rem* jurisdiction over the defendant properties pursuant to 28 U.S.C. § 1355(b)(1)(A) because acts or omissions giving rise to the forfeiture occurred in this district; pursuant to 28 U.S.C. § 1355(b)(1)(B), incorporating 28 U.S.C. § 1395, because the action accrued in this district and the owner of the property is located in this district.

11. Venue is proper in this district pursuant to 28 U.S.C. §1355(b)(1)(A) because acts or omissions giving rise to the forfeiture occurred in this district; pursuant to 28 U.S.C. § 1395;

because the action accrued in this district; the defendant is found in this district; and the property is located in this district.

BASIS FOR FORFEITURE

12. The defendant property is subject to forfeiture pursuant to Title 18, United States Code, Sections 981(a)(1)(C), 1956(c)(7), and 1961(1), and Title 28, United States Code, Section 2461, because they constitute any property, real or personal, which constitutes or is derived from proceeds traceable to any offense constituting “specified unlawful activity” (as defined in Section 1956(c)(7) of Title 18, United States Code), or a conspiracy to commit such offense, with such offenses including violations of Title 18, United States Code, Sections 1343 (wire fraud), 1029 (access device fraud), and 2320 (trafficking in counterfeit goods).

13. The defendant property is subject to forfeiture pursuant to 18 U.S.C. § 981(a)(1)(A), because they constitute property involved in a transaction or an attempted transaction in violation of sections 1956(a) and (h), 1957 and 1960 of Title 18, United States Code, or is property traceable to such property.

FACTS

14. ROSS is listed as the sole owner of Software Slashers, a fictitious registration filed with the Missouri Secretary of State on April 11, 2013, and designated charter number X01306001. Since at least 2009, ROSS has been engaged in the sale of various computer software programs. The principal place of business listed for the Software Slashers entity in its filing with the Missouri Secretary of State is 10815 N. Oakland Avenue, Kansas City, Missouri, 64157.

15. Between on or about October 2009 to December 2013, ROSS engaged in a fraudulent scheme and artifice to obtain money and property from numerous individuals through

the sale and distribution of fraudulent and counterfeit goods. ROSS fraudulently obtained and sold suspected counterfeit and/or stolen software and other products by companies such as Microsoft Corporation, Adobe Systems, Inc., and Beachbody, LLC, with ROSS grossing approximately \$3.6 million in revenue. In the course of this conspiracy, ROSS obtained these products through various sources in the People's Republic of China, making contact and conducting business through the phone and internet. ROSS then engaged in numerous monetary transactions with these sources in China as well as his co-conspirators in the United States with the proceeds from the fraud. In addition, ROSS and his wife, JOHNSON, have used the proceeds from this fraudulent activity to acquire various properties, including numerous residential properties and personal vehicles, and some of these financial transactions appear to have been structured.

16. Investigations conducted by Special Agents with the Department of Homeland Security, Homeland Security Investigations ("HSI"), obtained numerous counterfeit Microsoft Office product key code cards that were disposed of outside of ROSS and JOHNSON's primary residence at 10815 N. Oakland Avenue, Kansas City, Missouri.

17. Between April 15 and September 10, 2013, ROSS's Bank of America Account ending in -8504 ("BOA x8504") – the primary bank account used by ROSS for his Software Slashers business – received sixty-one separate wire transfers totaling \$2,639,690.00. These incoming wire transfers correspond to orders of suspected fraudulent and counterfeit goods, specifically Microsoft product key codes.

18. ROSS and JOHNSON would use the proceeds in this account to purchase numerous properties, including residential properties and vehicles. Based on a review of the Missouri Department of Revenue records, ROSS has not been gainfully employed in the state of

Missouri since 2008. Tax records provided by JOHNSON in conjunction with the loan application for the purchase of the property located at 10815 N. Oakland Avenue, Kansas City, Missouri 64157-8534, indicate JOHNSON reported \$638 in income for 2010 and \$11,501 in income for 2011. Upon Special Agent Carlos Suarez' review of the various bank accounts, it appears that all of the earnings from JOHNSON's most recent employer, Children's Mercy Hospital, have been direct-deposited into Bank of America Account number 354005567087 ("BOA x7087"). Based on a review of Kansas Department of Revenue records, ROSS has never received wages from an employer in the state of Kansas; a review of those same records indicates JOHNSON earned \$1,809, working for the University of Kansas Medical Center in 2011. It is believed that the remaining funds deposited via wire transfers in these accounts -- which account for the vast majority of their cash assets and income – represent the criminal proceeds from this fraudulent scheme to import and sell counterfeit goods.

19. In the course of this investigation, SA Suarez also reviewed numerous email accounts, based on search warrants, known to be used by ROSS to conduct the fraudulent scheme described above. SA Suarez observed numerous emails with other suspected co-conspirators that correspond with the \$2,639,690.00 wire transfers referenced above. In many cases, these emails between ROSS and these other co-conspirators reflect orders of suspected counterfeit product from ROSS.

Seized Assets

20. On April 11, 2013, ROSS opened BOA x8504 in the name of "Casey L Ross Sole Prop DBA Software Slashers." The associated address for this account is 10815 N. Oakland Avenue, Kansas City, MO, which corresponds to the primary residence shared by ROSS and JOHNSON. This account is a business advantage checking account with Bank of America, and

lists both ROSS and JOHNSON (as “Sarah E. Ross”) as authorized signers on this account; both ROSS and JOHNSON signed the form to receive debit cards on this account on July 2, 2013.

21. Between April 15, 2013, to on or about September 10, 2013, this BOA x8504 account received sixty-one separate wire transfers for transactions associated with the Software Slashers business, in an amount totaling \$2,639,690.00.

22. On December 10, 2014, HSI Kansas City seized \$570,894.94 in United States currency from BOA x8504 pursuant to a seizure warrant issued by the Honorable United States Magistrate Judge Sarah W. Hays in the Western District of Missouri. CBP sent seizure notice to ROSS on February 13, 2014.

23. On February 19, 2014, HSI Kansas City seized \$9,633.57 in United States currency in the form of a cashiers’ check drawn from BOA x8504. The cashiers’ check was turned over to HSI Kansas City agents by ROSS, abandoned to the United States government, and administratively seized by HSI Kansas City. CBP did not send seizure notice to ROSS because the property was abandoned.

24. On April 17, 2014, HSI Kansas City seized \$46,966.87 in United States currency in the form of a cashiers’ check from ROSS. The cashiers’ check was turned over to HSI Kansas City agents by ROSS from BBVA Compass Bank drawn by the National Processing Center (NPC) for payment of processed credit card transaction of Software Slashers, held pending clearance by NPC for possible fraud. These funds were abandoned by ROSS to the United States government and administratively seized by HSI Kansas City. CBP did not send a seizure notice to ROSS because the property was abandoned.

25. A 2013 Kia Optima, VIN: KNAGM4AD1D5042761, was purchased from Jack Miller Kia of North Kansas City, Missouri for \$28,872.99 on January 3, 2013. Leading up to the

purchase ROSS and JOHNSON purchased a 2006 BMW M5, from Baron BMW of Shawnee, Kansas for \$37,217.50. This down payment was made from a debit card connected to BOA x9459¹ account in the amount of \$3,229. The remaining balance of the vehicle was satisfied in the form of Cashier's Check #1373257, drawn on this same BOA x9459 account, and issued the same date as the purchase of the vehicle, in the amount of \$33,988.50. Six months later, on June 11, 2013, ROSS and JOHNSON traded in the 2006 BMW M5 towards the purchase of the 2013 Kia Optima. ROSS and JOHNSON received a credit of \$23,199.99 towards the purchase of the 2013 Kia Optima. The remaining balance was satisfied with \$4,000 cash, recorded on receipt number 01946 and listing the payer as "Casey ROSS," on the day of the purchase. On December 10, 2013, HSI Kansas City affected the seizure of the 2013 Kia Optima pursuant to a seizure warrant issued by the Honorable United States Magistrate Judge Sarah W. Hays in the Western District of Missouri at the primary residence of ROSS and JOHNSON in Kansas City, Missouri. CBP sent seizure notice to ROSS on January 13, 2014.

26. A 2011 Jeep Compass, VIN: 1J4NT1FB3BD150458, was purchased on or about October 13, 2013, from Landmark Dodge Chrysler Jeep, Independence, Missouri for \$17,587. A cash down payment in the amount of \$2,000.00 made by JOHNSON was recorded on receipt

¹ On August 6, 2012, JOHNSON opened Bank of America Account No. 3540 0896 9459 ("BOA x9459") and was the sole signor of this account. In August of 2012, BOA x9459 began receiving deposits for software payments from various merchant accounts in the name of "Rose Scoggins," a pseudonym for ROSS, and "Software Slashers." Review of this account shows large payments to "Dhgate" in Hong Kong, which SA Suarez knows as a frequent portal for the online purchase of fraudulent and/or counterfeit goods from China.

From October 2012 till July 2013, this BOA x9459 account received thirty-five (35) wire transfers associated with transactions made by Software Slashers, totaling \$1,039,700.00. In addition, several transfers of criminal proceeds have been observed from the BOA x9459 account to other Bank of America accounts maintained by ROSS and JOHNSON, all of which appear to have been used in the course and commission of this fraudulent scheme to import and sell fraudulent and/or counterfeit goods.

number 194138 on October 12, 2012. The remaining balance of the purchase price was financed through a Fifth Third Bank loan in the amount of \$18,838.50. According to loan information received pursuant to a subpoena served on Fifth Third Bank, regular loan payments were made for the months of November and December of 2012 and January of 2013. On February 25, 2013, there were ten separate payments of \$304.20 each, totaling \$3,042.03. On March 19, 2013, there were eight separate payments of \$500 each, totaling \$4,000. On April 8, 2013, there was a single payment of \$9,075. On April 29, 2013, there were seven payments totaling \$2,000. On June 3, 2013, a final payment in the amount of \$200 was made to satisfy the lien by Fifth Third Bank. SA Suarez believes that criminal proceeds from the fraudulent scheme described herein are believed to have accounted for all the aforementioned payments, as JOHNSON's legitimate income during this period of time – reflected in direct deposits made by Children's Mercy Hospital described as "Payroll" into her BOA x7087² bank account – only totaled \$22,632.14. On December 10, 2013, HSI Kansas City affected the seizure of the 2011 Jeep Compass pursuant to a seizure warrant issued by the Honorable United States Magistrate Judge Sarah W. Hays in the Western District of Missouri at the primary residence of ROSS and JOHNSON in Kansas City, Missouri. CBP sent seizure notice to JOHNSON on January 13, 2014.

27. A 2014 Chevrolet Corvette Stingray, VIN: 1G1YF2D70E5107427, was purchased via trade-in on November 25, 2013, from Cable-Dahmer of Independence, Missouri for \$68,664.00 by ROSS. Leading up to the trade-in, on April 4, 2013, ROSS purchased a 2012 Nissan 370Z, from State Line Nissan of Kansas City, Missouri for \$31,497. SA Suarez observed records reflecting a payment from "Casey ROSS" of 10815 N. Oakland Avenue, Kansas City,

²Beginning on or about October 26, 2012, BOA x7807 account has received \$70,533.83 in transfers from the BOA x8504 account.

MO, using a debit card ending in -4792 (which is assigned to the BOA x9459 account), in the amount of \$31,696.95. On April 10, 2013, ROSS traded this 2012 Nissan 370Z for \$27,133.00 towards the purchase of a 2012 Chevrolet Silverado, from Cable-Dahmer of Independence, Missouri, for an overall purchase price \$34,934.00. The remaining balance was satisfied in the form of an \$8,000 cash payment on the same date of purchase, recorded on receipt number 024946 and reflecting payment by “Casey ROSS.” On October 8, 2013, ROSS traded in the 2012 Chevrolet Silverado for \$28,500.00 towards the purchase of a blue 2014 Chevrolet Corvette Stingray, from Cable-Dahmer of Independence, Missouri. The remaining balance of the 2014 Chevrolet Corvette Stingray purchase was satisfied in the form of personal check #1031 drawn from the BOA x8504 account, and signed and dated on October 8, 2013, in the amount of \$48,857. On November 25, 2013, ROSS traded in this blue 2014 Chevrolet Corvette Stingray towards the purchase of the white 2014 Chevrolet Corvette Stingray (VIN: 1G1YF2D70E5107427), from Cable-Dahmer of Kansas City, Missouri. On December 10, 2013, HSI Kansas City affected the administrative seizure of the 2014 Chevy Corvette Stingray at the primary residence of ROSS and JOHNSON. CBP sent seizure notice to ROSS on January 13, 2014.

28. A 2013 Nissan GT-R, VIN: JN1AR5EFXDM261271, was purchased on July 30, 2013, from Weapons Grade Performance (WGP) of Wallingford, Connecticut for \$66,000.00 by ROSS. On June 3, 2013, ROSS sent \$5,000 via wire transfer (noting a payment description of “DOWN PAYMENT FOR 2013 GTR”) from the BOA x8504 account to WGP of Wallingford, Connecticut. Subsequent wire transfers from this account to WGP total \$64,569.11, and all carry descriptions relating to the vehicle in question, to including: “TRANS FEE, TIRES, HEAT WRAP AND SEAT BRACKETS.” On December 11, 2013, HSI New Haven affected the seizure of the 2013 Nissan GT-R pursuant to a seizure warrant issued by the Honorable United States Magistrate

Judge Sarah W. Hays in the Western District of Missouri at WGP, Wallingford Connecticut.

CBP sent a seizure notice to ROSS on February 8, 2014.

CLAIMS FOR RELIEF

FIRST CLAIM FOR RELIEF

29. The Plaintiff repeats and incorporates by reference the paragraphs above.
30. By the foregoing and other acts, the defendant properties were involved in transactions or attempted transactions in violation of Title 18, United States Code, sections 1956, 1957, and 1960 or is property traceable to a transaction or attempted transaction, and therefore, is forfeitable to the United States pursuant to 18 U.S.C. § 981(a)(1)(A).

SECOND CLAIM FOR RELIEF

31. The Plaintiff repeats and incorporates by reference the paragraphs above.
32. By the foregoing and other acts, the defendant properties, constitute, or are derived from proceeds traceable to violations of Title 18, United States Code, section 1343, that is wire fraud, and therefore, is forfeited to the United States pursuant to 18 U.S.C. § 981(a)(1)(C).

WHEREFORE the United States prays that the defendant properties be forfeited to the United States, that the plaintiff be awarded its costs and disbursements in this action, and for such other and further relief as the Court deems proper and just.

Respectfully submitted,

Tammy Dickinson
United States Attorney

By: /s/ James Curt Bohling
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VERIFICATION

I, Supervisory Special Agent Shawn S. Gibson, hereby verify and declare under penalty of perjury that I am a Supervisory Special Agent with the United States Department of Homeland Security, Immigration and Customs Enforcement (ICE), Homeland Security Investigations (HSI), that I have read the foregoing Verified Complaint in Rem and know the contents thereof, and that the matters contained in the Verified Complaint are true to my own knowledge, except that those matters herein stated to be alleged on information and belief and as to those matters I believe them to be true.

The sources of my knowledge and information and the grounds of my belief are the official files and records of the United States, information supplied to me by other law enforcement officers, as well as my investigation of this case, together with others, as a Special Agent of the United States Department of Homeland Security, Immigration and Customs Enforcement (ICE), Homeland Security Investigations (HSI).

I hereby verify and declare under penalty of perjury that the foregoing is true and correct.

Dated 6/23/14

/s/ *Shawn S. Gibson*

Shawn S. Gibson
Supervisory Special Agent
Homeland Security Investigations (HSI)